

Fast Reserve

Market Information for Tenders for June 2004

National Grid Transco publishes this information, in order to inform potential participants for the Fast Reserve tender round for June 2004.

Fast Reserve Availability

Our indicative daily requirement for Fast Reserve in June is shown on a Settlement Period basis in Figure 1. This requirement covers weekdays, Saturdays and Sundays.

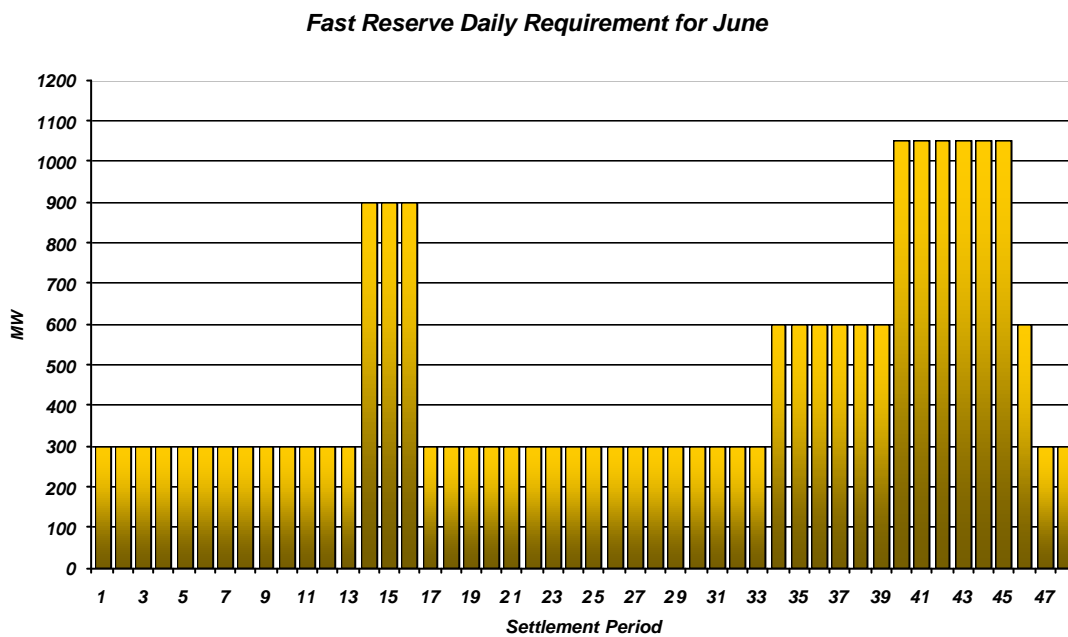


Figure 1

This figure gives an indication of the times of day when Fast Reserve is most useful to us. The actual amount of Fast Reserve "holding" varies from day to day, according to system conditions, but on average amounts to approximately one half of these requirements.

Fast Reserve Utilisation

Figure 2 shows the daily utilisation of Fast Reserve in the BM and elsewhere during March (1st – 31st March 2004) and April (1st – 30th April 2004). The BM information is based on the aggregate of Offers plus |Bids| accepted to provide Fast Reserve.

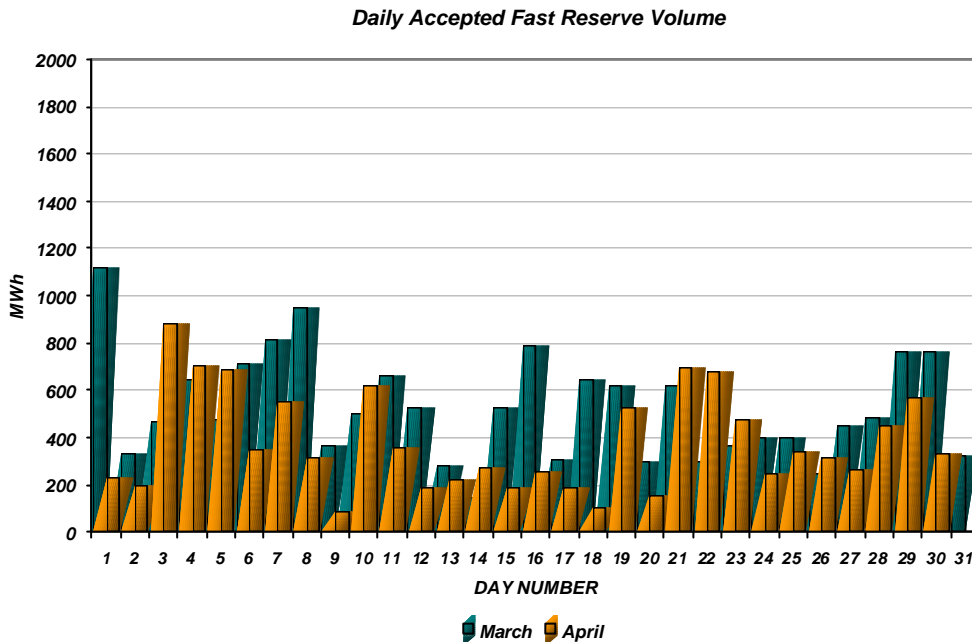


Figure 2

Figure 3 re-presents this data, as an average utilisation per Settlement Period across each month. This shows the daily profile of Fast Reserve utilisation.

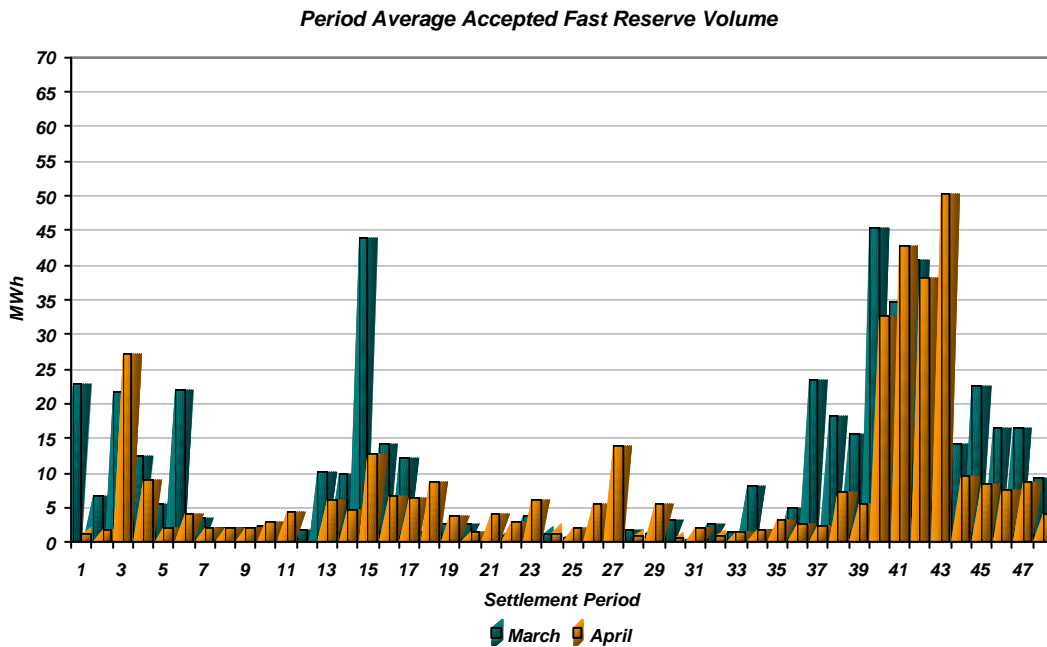


Figure 3

The total volumes of Fast Reserve utilisation of **16.3 GWh** for March and **11.4 GWh** for April break down into price bands as follows:

March	Price band (£/MWh range)	Volume (MWh)	Average Price (£/MWh)	Cost (£m)
OFFERS	2000 to 10000	0	n/a	n/a
	1000 to 2000	0	n/a	n/a
	300 to 1000	202	341	0.07
	0 to 300	14,824	126	1.87
Total		15.0 GWh		£1.94 m
BIDS	0 to 300	0	n/a	n/a
	-300 to 0	-1,232	-50	0.06
	-1000 to -300	-9	-600	0.01
	-2000 to -1000	-35	-1,425	0.05
	-10000 to -2000	0	n/a	n/a
Total		-1.3 GWh		£0.12 m
Total		16.3 GWh		£2.05 m

April	Price band (£/MWh range)	Volume (MWh)	Average Price (£/MWh)	Cost (£m)
OFFERS	2000 to 10000	0	n/a	n/a
	1000 to 2000	14	1,800	0.02
	300 to 1000	51	400	0.02
	0 to 300	10,560	131	1.38
Total		10.6 GWh		£1.43 m
BIDS	0 to 300	0	n/a	n/a
	-300 to 0	-750	-51	0.04
	-1000 to -300	-56	-543	0.03
	-2000 to -1000	-18	-1,500	0.03
	-10000 to -2000	0	n/a	n/a
Total		-0.8 GWh		£0.09 m
Total		11.4 GWh		£1.52 m

The above charts and tables show that from March to April overall Fast Reserve utilisation fell by ~ 30%.

For June, the demand shape will follow a Summer profile. Fast Reserve utilisation patterns for June 2004 are expected to be similar to those seen in June/July 2003. Overall Fast Reserve utilisation is forecast to outturn similar to June 2003.

For the month of **June**, tenders from eligible Service Providers for a firm Fast Reserve service should be submitted to National Grid by close of business on Monday 17th May 2004. National Grid Transco will notify Service Providers of the outcome of the tender assessment by Monday 24th May 2004.

Tenders should be sent for the attention of:

Hannah Morgan
Operations & Trading
National Grid Transco plc
NGT House
Warwick Technology Park
Gallows Hill
Warwick
CV34 6DA

Tenders can be sent by fax to Hannah Morgan on 01926 656612.